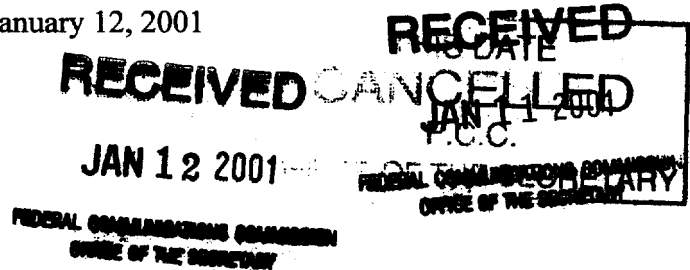




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National Association of Regulatory Utility Commissioners

January 12, 2001

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
445 Twelfth Street, SW - TW-A325  
Washington, DC 20554

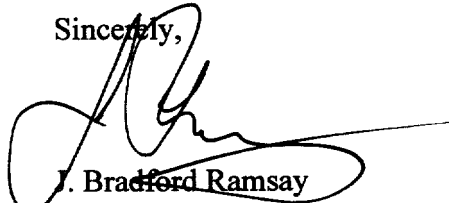


Re: *CC Docket No. 00-229, 2000 Biennial Regulatory Review --  
Telecommunications Service Quality Reporting Requirements*

Dear Ms. Salas:

Forwarded herewith are the Comments of the National Association of Regulatory Utility Commissioners in response to the Notice of Proposed Rulemaking in the above-noted docket.

Sincerely,

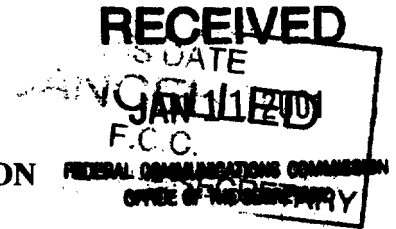
  
J. Bradford Ramsay  
General Counsel

JBR;jbr  
Attachment

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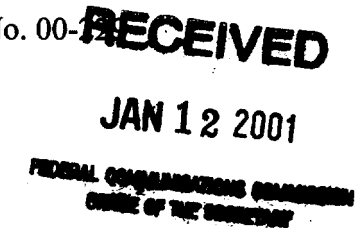
BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554



\_\_\_\_\_  
In the Matter of )  
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2000 Biennial Regulatory Review -- )  
Telecommunications Service Quality )  
Reporting Requirements )  
\_\_\_\_\_)

CC Docket No. 00-



INITIAL COMMENTS OF THE  
NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS

On November 9, 2000, the Federal Communications Commission ("FCC" or "Commission") adopted a Notice of Proposed Rulemaking ("NPRM") as part of its biennial regulatory review process. In the NPRM, the FCC requests comments on its proposal to reduce the service quality data price cap LECs are required to report to the Commission on a quarterly basis.

In November 2000, in response to the FCC's NPRM, the National Association of Regulatory Utility Commissioner passed a resolution that

- "Supports the FCC's attempts to further target service quality data collection," and
- "Generally supports the reporting of telephone service quality information *at no less than its current level* unless a showing can be made that the reporting is not crucial to the monitoring of service quality."

In support of these comments, NARUC states as follows:



## **I. DISCUSSION**

State and federal regulatory agencies have historically collaborated on issues related to telephone service quality. The November 9, 2000 NPRM seeks comment on proposals to streamline the current method of service quality reporting by large local phone companies. Generally, the NPRM proposes to reduce the number of categories of information gathered, seeks comment on additional information that may be useful, whether information on advanced services would be of benefit, and whether customers should have access to service quality data from carriers other than ILECs.

**TELEPHONE SERVICE QUALITY INFORMATION SHOULD BE REPORTED *AT NO LESS THAN ITS CURRENT LEVEL* UNLESS A SHOWING CAN BE MADE THAT THE REPORTING IS NOT CRUCIAL TO THE MONITORING OF SERVICE QUALITY**

Service quality reporting is a vital part of the monitoring that should be performed by state and federal regulators to protect customers in situations where no competitive alternatives are available. Two facts are inescapable: (1) the large incumbents still hold well in excess of 98 percent of at least the residential market across the country, and, (2) for several of these large incumbent LECs, many of the current categories reported to the FCC indicate a long-term negative trend in service quality.

In this environment, it appears, absent some evidence to the contrary, that elimination of the current federal reporting can only exacerbate the problems. As the NARUC resolution points out: "Further reductions in the level of reporting will reduce the ability of state and federal regulators to determine whether inadequacies [actually] exist and should be addressed by regulatory or other means." {Emphasis added.}



It is also clear that some of NARUC's members find the FCC's service quality reports useful. For example, the Tennessee Regulatory Authority (TRA) occasionally uses the FCC reports – most recently in presentations before the TRA in its Telephone Service Standard Rulemaking in Docket 00-00873. The TRA also uses the FCC's information as a cross check against similar data submitted on the state level in the TRA's routine inspection of telephone service quality.

Another good example of the usefulness of FCC reports can be found in the Michigan Public Service Commission's 2000 proceeding on service quality. There the Michigan Attorney General's witness Bion C. Ostrander explicitly relies on the more detailed FCC reports provided as a result of the merger condition requirements. See, "*Direct Testimony and Exhibits of Bion C. Ostrander on Behalf of the Michigan Attorney General*" in MPSC Case No. U-12598, (<http://efile.mpsc.cis.state.mi.us/efile/docs/12598/0030.pdf>) at 13-16, where Mr. Bion notes:

"The graphs included . . . were obtained from the FCC website based on information submitted by SBC and Ameritech. . . [and] are very current . . . [and] are based on NARUC's white paper service quality reporting requirements."

According to Mr. Ostrander's testimony, which, based on the FCC reports, placed emphasis on how poorly Ameritech was performing in Michigan, as compared to other Ameritech states – a comparison that can only be made because the FCC is collecting that data:

"Ameritech-Michigan is consistently one of the worst performers among the 5 Ameritech states, and is usually worse than all 8 SBC states regarding residential service statistics . . . In all six categories shown by the graphs, AM is worse than all SBC states in all [the FCC's] service quality categories except one."

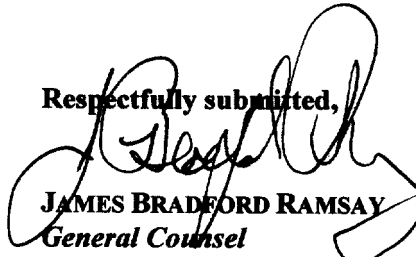
Again in the current environment, NARUC's resolution suggests that before any cuts in current reporting are entertained, the large local phone companies should provide some



explanation why such requirements should be trimmed. Specifically, the resolution points out that large LECs "have made no evidentiary showing that the current reporting levels cause significant burdens on the reporting carriers."

NARUC appreciates the FCC's recognition in ¶ 6 of the NPRM that individual States must retain the ability to mandate that carriers report directly to State commissions to address specific service quality problems that arise in the States' respective jurisdictions. We commend the Commission's goal to make service quality information more useful to consumers and recognize the FCC's obligation to periodically review these requirements to reduce any unnecessary burdens on carriers. However, in the absence of some compelling ILEC evidentiary showing that the reports are somehow unnecessary, it appears the proposal to reduce reporting requirements is premature.

Respectfully submitted,



JAMES BRADFORD RAMSAY  
*General Counsel*



SHARLA BARKLIND  
*Assistant General Counsel*

**National Association of Regulatory Utility Commissioners**  
**1101 Vermont Ave. NW, Suite 200**  
**Washington, DC 20005**

DATED: January 12, 2001



### ***Resolution on Telephone Service Quality Reporting***

**WHEREAS**, State and federal regulatory agencies have historically collaborated on issues related to telephone service quality; *and*

**WHEREAS**, The Federal Communications Commission (FCC) adopted a Notice of Proposed Rulemaking (NPRM) on November 9, 2000, seeking comment on proposals to streamline the current method of service quality reporting by large local phone companies; *and*

**WHEREAS**, The NPRM generally proposes to reduce the number of categories of information gathered, seeks comment on additional information that may be useful, whether information on advanced services would be of benefit, and whether customers should have access to service quality data from carriers other than ILECs; *and*

**WHEREAS**, Service quality reporting is a vital part of the monitoring that should be performed by state and federal regulators in order to protect customers in situations where no competitive alternatives are available; *and*

**WHEREAS**, Further reductions in the level of reporting will reduce the ability of state and federal regulators to determine whether inadequacies exist and should be addressed by regulatory or other means; *and*

**WHEREAS**, Large local phone companies have made no evidentiary showing that the current reporting levels cause significant burdens on the reporting carriers, *now therefore be it*

**RESOLVED**, That the National Association of Regulatory Utility Commissioners (NARUC), assembled in its November 2000 112th Annual Convention in San Diego, California, supports the FCC's attempts to further target service quality data collection; *and be it further*

**RESOLVED**, That the NARUC generally supports the reporting of telephone service quality information at no less than its current level unless a showing can be made that the reporting is not crucial to the monitoring of service quality; *and be it further*

**RESOLVED**, That the NARUC urge its membership to provide comments to the FCC, with supporting evidence of the benefits of service monitoring reports; *and be it further*

**RESOLVED**, That the NARUC General Counsel be authorized to file comments with the FCC to support this position.

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*Sponsored by the Committee on Telecommunications.*

*Recommended by the Board of Directors.*

*Adopted in Convention November 15, 2000.*